

EXHIBIT 1



U.S. Department of Justice

Civil Division

Office of the Assistant Attorney General

Washington, D.C. 20530

February 29, 2008

BY FACSIMILE

The Honorable Victor Marrero
United States District Court
Southern District of New York
United States Courthouse
500 Pearl Street, Room 660
New York, New York 10007

Re: *Knox v. Palestine Liberation Organization*, No. 03 Civ. 4466

Dear Judge Marrero:

On December 11, 2007, this Court issued an order directing the United States to inform the Court "whether the Government contemplates issuing a suggestion of interest in the resolution of this case, or in any of the other cases pending in other Districts against the defendants in this action raising similar issues as to the appropriateness of reopening default judgments entered against the defendants." The Court thereafter granted the United States' request for additional time to consider the matter. The United States has carefully considered the significant issues presented by this case and its procedural posture, as well as the cases pending in other districts. The United States respectfully informs the Court that it declines to file a Statement of Interest concerning the Rule 60 issues presented by this case, but will continue to monitor this and other cases like it. The United States has not yet decided whether or not to participate in those other cases. The United States supports just compensation for victims of terrorism from those responsible for their losses and has encouraged all parties to resolve these cases to their mutual benefit. At the same time, the United States remains concerned about the potentially significant impact that these cases may have on the financial and political viability of the defendants.

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The United States appreciates the Court's invitation and the additional time that the Court afforded the United States to consider this matter.

Respectfully,

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